



# Washington State Association of Counties

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May 6, 1997

The Honorable Gary Locke  
Governor, State of Washington  
Legislative Building  
P.O. Box 40002  
Olympia, WA 98504

Dear Governor Locke:

We respectfully ask that you sign **Engrossed Second Substitute House Bill 1866** into law. This bill would allow regulated entities to enter into Environmental Excellence Program Agreements ("EEPAs") with state and local regulatory agencies. These EEPAs are voluntary programs that would allow increased regulatory flexibility by promoting innovative and cost-effective strategies and measures for meeting or surpassing current environmental standards. This bill is based on the Environmental Protection Agency's Project XL program, which is being implemented nationwide. It includes many safeguards to ensure that environmental quality is achieved.

As you know, counties occupy a somewhat unique position with regard to environmental permitting. With regard to certain issues, like shoreline permitting and solid waste disposal, the role of the counties is that of a regulating entity. Under this legislation the county, along with the state, would review and administer these agreements. In other permitting cases, such as wastewater treatment, the county's role is that of a regulated entity. Under **E2SHB 1866**, counties too would be able to propose an EEPA to the regulating entity. Accordingly, our interest in this legislation is quite balanced. As a regulator, we have a duty to ensure that these proposed EEPAs are environmentally sound and do not represent "regulatory backsliding." On the other hand, the infrastructure requirements that counties and other providers of public services face are so pressing and costly that we need opportunities for increased flexibility and innovation within the permitting framework. WSAC has worked alongside the bill sponsors, the business community, and state agency representatives to craft a bill that strikes a balance between these two objectives.

There was some initial concern among county officials regarding the possible financial impacts of these agreements. These EEPAs represent a radical departure from standard permitting practices, and their review and analysis will require additional time and resources. Subsequent language changes have ensured that local governments may recoup all costs associated with the review and monitoring of these agreements from the project sponsor.

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To further gauge the potential effects of these EEPAs on local government, WSAC has researched a Project XL agreement launched by Intel in Chandler, Arizona. WSAC contacted the city of Chandler's planning director, who reported that the project was viewed as a success by local governments. He stressed the need for coordination among the various agencies with regulatory oversight. This point has been specifically addressed in **E2SHB 1866**. He also advocated that regulators examine the past environmental record of a project sponsor as part of the agreement evaluation process.

WSAC is confident that **E2SHB 1866** will allow increased regulatory flexibility without compromising the environmental quality of our state and we urge your support.

Sincerely,

A handwritten signature in cursive script, appearing to read "Paul Parker", followed by a horizontal flourish line.

Paul Parker  
Policy Director - Environment, Land Use, and Resources

cc: Representative Gary Chandler  
Representative Kelli Linville  
Tom Fitzsimmons, Department of Ecology